

**Screen Title:**

Purchase Order Transaction Screen (FM040)

**Screen Number:**

FM040

**General Information:**

FM040 now allows the user to determine how CFS handles partial liquidations of obligations. This is accomplished through the Receipt/Invoice Method (RI Method) field. (Note: This field is labeled 'RI Mth' because in the long term, this enhancement will accommodate Receiving Tickets, even though in the short term it will not.)

If a user marks a line item as "quantity-based," the system will perform exactly as it does now. For example, if an obligation is entered for 1 @ \$1000, and an invoice is entered against that obligation for 1 @ \$100, the \$900 remaining is liquidated and returned to the budget.

If a user marks an obligation line item as "dollar-based," the system will handle partial invoices against that obligation without liquidating the difference. For example, if a dollar-based obligation is entered for 1 @ \$1000, and a dollar-based invoice is entered against it for 1 @ \$100, the \$900 remainder is not liquidated, but remains with the obligation.

**Business Rules:**

The new Receipt/Invoice Method field has two possible values: 'Q' for quantity-based (the default value), and 'D' for dollar-based.

For RI Method 'D,' the quantity field is set to 1.000 and may not be changed. If the Quantity is >1, only RI Method 'Q' is permitted. If the Quantity =1, the user may choose RI Method 'Q' or 'D.'

RI Method D should usually be used for contracts and other items with an indefinite number of deliveries and indefinite dollar amounts.

When referencing a requisition, the 1-to-1 feature must be used for dollar-based processing. A requisition may only be referenced by multiple obligations if the obligations are quantity-based, and the obligation quantity is <= the requisition quantity.

For dollar-based lines, tolerance between the requisition and obligation is enforced based on the extended dollar amount of the requisition. If an item w/ zero tolerance is requested for 10 @ \$5 (\$50), the PO can be entered for 1 @ \$50, which liquidates the requisition. Dollar tolerance is enforced at the line item and MDL levels.

If the RI Method = D, the default document matching is overridden, and the line item is defined as a 2-way match.

If RI Method = D and insufficient funds are available for the transaction, the document is not routed for funds override (FM022). Instead, processing is halted and the user must ensure that funds to cover the obligation are added to the budget.

To change the RI Method, the Activity Flag (labeled 'Act') must be N. This means that no outstanding Receiving Tickets, Acceptance Tickets, or Vendor Invoices may exist against the line item.

To liquidate an obligation, use FM040 to reduce the unit price to the invoiced amount. As an alternative, the Obligation Close/Reopen Screen (FM018) may be used to close quantity-based line items, but not dollar-based line items.

**Screen Title:** Purchase Order (FM041)

**Screen Number:** FM041

**General Information:** FM041 now allows the user to determine how CFS handles partial liquidations of obligations. This is accomplished through the Receipt/Invoice Method (RI Method) field. (Note: This field is labeled 'RI Method' because in the long term, this enhancement will accommodate Receiving Tickets, even though in the short term it will not.)

If a user marks a line item as "quantity-based," the system will perform exactly as it does now. For example, if an obligation is entered for 1 @ \$1000, and an invoice is entered against that obligation for 1 @ \$100, the \$900 remaining is liquidated and returned to the budget.

If a user marks an obligation line item as "dollar-based," the system will handle partial invoices against that obligation without liquidating the difference. For example, if a dollar-based obligation is entered for 1 @ \$1000, and a dollar-based invoice is entered against it for 1 @ \$100, the \$900 remainder is not liquidated, but remains with the obligation.

**Business Rules:** The new Receipt/Invoice Method field has two possible values: 'Q' for quantity-based (the default value), and 'D' for dollar-based.

For RI Method 'D,' the quantity field is set to 1.000 and may not be changed. If the Quantity is >1, only RI Method 'Q' is permitted. If the Quantity =1, the user may choose RI Method 'Q' or 'D.'

RI Method D should usually be used for contracts and other items with an indefinite number of deliveries and indefinite dollar amounts.

When referencing a requisition, the 1-to-1 feature must be used for dollar-based processing. A requisition may only be referenced by multiple obligations if the obligations are quantity-based, and the obligation quantity is <= the requisition quantity.

For dollar-based lines, tolerance between the requisition and obligation is enforced based on the extended dollar amount of the requisition. If an item w/ zero tolerance is requested for 10 @ \$5 (\$50), the PO can be entered for 1 @ \$50, which liquidates the requisition. Dollar tolerance is enforced at the line item and MDL levels.

If the RI Method = D, the default document matching is overridden, and the line item is defined as a 2-way match.

If RI Method = D and insufficient funds are available for the transaction, the document is not routed for funds override (FM022). Instead, processing is halted and the user must ensure that funds to cover the obligation are added to the budget.

To change the RI Method, the Activity Flag (labeled 'RI Act') must be N. This means that no outstanding Receiving Tickets, Acceptance Tickets, or Vendor Invoices may exist against the line item.

To liquidate an obligation, use FM041 to reduce the unit price to the invoiced amount.

**Screen Title:**

Receiving Ticket Transaction Screen (PM030)

**Screen Number:**

PM030

**General Information:**

The Receiving Ticket is used to receive quantity-based line items.

**Business Rules:**

In the short term, the Receiving Ticket Transaction Screen may only be used to receive quantity-based (Q) line items. All dollar-based (D) obligation line items are processed as 2-way matches, and as such are not subject to receiving.

CFS determines whether a receiving ticket is permitted by checking the obligation line. If the default matching was used, and the default matching for that obligation type and item type calls for 3-way or 4-way matching, then an RT is permitted. If the matching was overridden, the RT matching flag from the obligation line determines whether or not an RT is permitted.

If a receiving ticket has been entered, and the Receipt/Invoice Method needs to be changed to 'D' (dollar-based), the RT must be reversed using PM034 before a change order is permitted on FM040/FM041. Additionally, other receiving tickets that referenced the same obligation line item must be reversed as well, until the Activity flag on FM040/FM041 is 'N.'

**Screen Title:**

Vendor Invoice Transaction Screen (PM003)

**Screen Number:**

PM003

**General Information:**

A new field, the Receipt/Invoice Method (labeled 'RI Mth') has been added to PM003. This field works in conjunction with the corresponding field on FM040/FM041 to determine how to handle partial invoices.

If a user marks a line item as "quantity-based," the system will perform exactly as it does now. For example, if an obligation is entered for 1 @ \$1000, and an invoice is entered against that obligation for 1 @ \$100, the \$900 remaining is liquidated and returned to the budget.

If a user marks an obligation line item as "dollar-based," the system will handle partial invoices against that obligation without liquidating the difference. For example, if a dollar-based obligation is entered for 1 @ \$1000, and a dollar-based invoice is entered against it for 1 @ \$100, the \$900 remainder is not liquidated, but remains with the obligation.

**Business Rules:**

The Receipt/Invoice Method used on the vendor invoice must match that of the obligation, at the line item level.

If the RI Method is D (dollar-based), CFS forces the quantity to 1.000, protects the field, and requires the user to enter a unit price. To prevent rounding errors, the unit price is restricted so that only the first two decimal places may be entered. For example, \$1.2300 may be entered, but not \$1.2345.

If the RI Method is Q, the user must enter both a quantity and a unit price. The unit price may use all four decimal places.

If the invoice is a shell created by the receiving ticket, it will only contain 3-way and 4-way match items. Any 2-way items from the obligation must be manually added to the invoice.

A no-match invoice may only use RI Method Q.

Tolerance checking is enforced at the line item and MDL levels. Tolerance is based on the total cumulative dollar amount charged against the PO line item and MDL. If a single-MDL obligation line item for \$100 has a 10% tolerance, the total of all invoice line items against it may not exceed \$110.

Matching will be determined as follows. If the invoice references a PO, and the default matching for a PO line item was overridden, the overridden values will be used. If the invoice references a PO that used the default matching, then the combination of obligation type and item type will be used to determine the matching. If the invoice does not reference a PO, the invoice type and item type will be used to determine the matching.

For a 2-way match invoice, voiding the invoice on the Void Vendor Invoice Transaction Screen (PM034) will reset the RI Activity Flag on FM040/FM041, thus allowing a user to change the RI Method. However, if other invoices exist against the same obligation line item, they must also be canceled before the RI Method can be changed.

For 3-way match items, both the invoice(s) and related receiving ticket(s) must be voided to reset the RI Activity Flag on FM040/FM041.

Four-way match items cannot be completely reversed, because an acceptance reversal screen does not exist in CFS. In these cases, the user should process a change order to reduce the outstanding balance of the obligation line, and create a new line for the remainder, with an RI Method of D.